GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4326
ANSWERED ON:19.05.2006
RURAL INSTITUTIONAL FINANCE
Dhotre Shri Sanjay Shamrao

Will the Minister of FINANCE be pleased to state:

(a) whether growth in rural institutional finance is slow due to new policies of financial reforms of the Government;

(b) whether this information has come to light through a research paper; and

(c) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a): No, Sir. The growth in rural institutional finance, in fact, has increased due to new policies and financial reforms of the Government. Tremendous growth has been registered under all important parameters viz. Deposits, Borrowings, Loans issued and Loans outstanding, in respect of State Co-operative BartksfSCBs), District Central Co-operative Banks(DCCBs), Primary Agriculture Co-operative and Rural Development Banks(PCARDBs), State Agriculture Co-operative - and Rural Development Banks (SCARDBs) and Regional Rural Banks(RRBs). Further, with a view to enhance the credit flow to agriculture, the Government had announced doubling of credit flow to agriculture in the next three years (2004-05 to 2006-07). The agencies involved in credit disbursement to agriculture have achieved 119% (2004-05) and 112% (2005-06 provisional) of the target collectively.

(b) and (c): Do not arise in view of the (a) above.